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FBI Looks at Payments Allegedly Made On Behalf of Occidental Petroleum in '79

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LOS ANGELES—The Political Corruption unit of the Federal Bureau of Investigation is investigating the circumstances of payments totaling \$120,000 allegedly made on behalf of Occidental Petroleum Corp. in 1979.

The payments are believed to have been made while Occidental was attempting to gain city approval for oil drilling in the Pacific Palisades section of Los Angeles. Exploratory wells have been drilled in the vicinity of this residential area, but strong local opposition has prevented further development for more than 10 years. City officials say Occidental holds leases for much of the area in question.

The drilling measure received approval from various agencies, including the Los Angeles city council, but Mayor Tom Bradley vetoed it. Last August, the city council attempted to override the mayor's veto, but the attempt failed to get the required two-thirds majority by one vote.

The FBI is checking reports that \$80,000 was paid on Occidental's behalf to Herbert Itkin, a private detective who for more than five years in the early 1960s was an informant for both the FBI and the Central Intelligence Agency. It is believed that more than \$80,000 of the payment never went into the detective agency's account and remains unaccounted for. Another \$60,000 on behalf of Occidental allegedly was given to another company that converted the checks to cash and passed it on to Mr. Itkin. What then happened to this money is believed to be at the heart of the investigation.

A spokesman for Occidental said, "We know absolutely nothing about the investigation." He added that the company would have nothing further to say about the matter. In a telephone interview, Mr. Itkin said he can't discuss anything about any of his clients.

Mr. Itkin, 52 years old, is no stranger to

controversy. While he was a government informer his testimony at various trials helped send about 18 Mafia figures and New York City officials to prison. Mr. Itkin disappeared in 1972 following the trials. With the help of the FBI, he and his family were located in Los Angeles where they began a new life with a different name.

Operating as a private detective, Mr. Itkin has several major law firms as clients. As a private citizen, he has continued to assist police. A few years ago, he was responsible for the U.S. Drug Enforcement Agency breaking up a large-scale narcotics smuggling ring, according to DEA records.

Mr. Itkin is believed to be part owner of International Investigations Inc. in Los Angeles and is said to have had a five-year business relationship with Dr. Armand Hammer, chairman and chief executive officer of Occidental. An Occidental spokesman said Dr. Hammer is out of the country and couldn't be reached for comment.